

**TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE**

Annual Financial Report

As of and for the Year Ended

June 30, 2012

KEITH J. ROVIRA
Certified Public Accountant

**TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana**

**Basic Financial Statements
and
Independent Auditor's Report**

**As of and for the Year Ended
June 30, 2012**

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INDEPENDENT AUDITOR'S REPORT

Twenty-Fourth Judicial District Public Defender Office
Jefferson Parish, Louisiana

I have audited the accompanying financial statements of the Twenty-Fourth Judicial District Public Defender Office, as of and for the year ended June 30, 2012, which collectively comprise the basic financial statements of the Twenty-Fourth Judicial District Public Defender Office as listed in the table of contents. These financial statements are the responsibility of the management of the Twenty-Fourth Judicial District Public Defender Office. My responsibility is to express an opinion on these basic financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

As described in paragraph A.11 of the Notes to the Financial Statements of this audit report, the Twenty-Fourth Judicial District Public Defender Office adopted the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* for this fiscal year-end audit period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Twenty-Fourth Judicial District Public Defender Office as of June 30, 2012, and the results of operations for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, I have also issued a report dated October 18, 2012, on my consideration of the Twenty-Fourth Judicial District Public Defender Office's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations and contracts. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of my audit.

Management's Discussion and Analysis, as listed in the table of contents, is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information, and express no opinion on it.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Twenty-Fourth Judicial District Public Defender Office's basic financial statements. The supplementary information schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Twenty-Fourth Judicial District Public Defender Office. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in my opinion is fairly stated in all material respects, in relation to the basic financial statements taken as whole.



Keith J. Rovira
Certified Public Accountant

October 18, 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS

TWENTY-FOURTH JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE**Jefferson Parish, Louisiana****Management's Discussion and Analysis****As of and for the Year Ended June 30, 2012**

The Management's Discussion and Analysis (MD&A) of the Twenty-Fourth Judicial District Public Defender Office's financial performance presents a narrative overview and analysis of the office's financial activities for the year ended June 30, 2012. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with the additional information contained in the basic financial statements. The MD&A is an element of the new reporting model adopted by the Government Accounting Standards Board (GASB) in their Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* issued June, 1999. Certain comparative information between the current year and prior year has been presented in the MD&A.

FINANCIAL HIGHLIGHTS

The minimum requirements for financial reporting on the Twenty-Fourth Judicial District Public Defender Office that was established by GASB No. 34 are divided into the following sections:

- (a) Management's Discussion and Analysis
- (b) Basic Financial Statements
- (c) Required Supplementary Information (other than MD&A)

Basic Financial Statements:

The basic financial statements present information for the Twenty-Fourth Judicial District Public Defender Office as a whole, in a format designed to make the statements easier for the reader to understand. The financial statements in this section are divided into the two following types:

- (1) Government-Wide Financial Statements, which include a Statement of Net Assets and a Statement of Activities. These statements present financial information for all activities of the Twenty-Fourth Judicial District Public Defender Office from an economic resources measurement focus using the accrual basis of accounting and providing both short-term and long-term information about the Twenty-Fourth Judicial District Public Defender Office's overall financial status.
- (2) Fund Financial Statements, which include a Balance Sheet and a Statement

TWENTY-FOURTH JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE

Jefferson Parish, Louisiana

Management's Discussion and Analysis

As of and for the Year Ended June 30, 2012

of Revenues, Expenses, and Changes in Fund Balance for the General Fund (a governmental fund). These financial statements present information on the individual fund of the public defender's office allowing for more detail. The current financial resources measurement focus and the accrual basis of accounting used to prepare these statements are dependent on the fund type. The public defender's office's only governmental fund is the General Fund. The statements in this section represent the short-term financing of general government.

FINANCIAL ANALYSIS OF THE ENTITY

**Statement of Net Assets
As of June 30, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
Current assets	\$886,419	\$1,315,223
Capital assets	<u>21,844</u>	<u>37,460</u>
Total Assets	<u>908,263</u>	<u>1,352,683</u>
Current liabilities	39,255	55,442
Long-term liabilities	<u>78,403</u>	<u>75,364</u>
Total Liabilities	<u>117,658</u>	<u>130,806</u>
Net Assets:		
Invested in capital assets, net of debt	21,844	37,460
Unrestricted	<u>768,761</u>	<u>1,184,417</u>
Total Net Assets	<u>\$790,605</u>	<u>\$1,221,877</u>

Total Net Assets decreased by \$431,272, or 35%, from the prior year primarily due to a decrease

TWENTY-FOURTH JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE

Jefferson Parish, Louisiana
 Management's Discussion and Analysis
 As of and for the Year Ended June 30, 2012

in court cost revenue during the last fiscal year.

The public defender's office does not have any "restricted" net assets. It does have "unrestricted" net assets, and those are net assets that do not have any limitations on what these amounts may be used for.

Statement of Revenues, Expenditures and
 Changes in Fund Balance
 For the Years Ended June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Revenues	\$3,010,603	\$3,080,234
Expenditures	<u>3,423,219</u>	<u>3,481,100</u>
Net Change in Fund Balance	<u>\$(412,616)</u>	<u>\$(400,866)</u>

During the fiscal year total revenues decreased \$69,631, or 2.3%, and total expenditures decreased \$57,881, or 1.7%. The decrease in total revenues is primarily due to a decrease in court costs.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets:

The public defender's office had \$21,844 invested in office furniture and equipment and computers at year end. This amount represents the original purchase price (\$99,028) of all capital assets less all accumulated depreciation (\$77,184) on those assets from their acquisition date up to this fiscal year end.

Debt and Long-Term Liabilities:

The public defender's office did not have any debt outstanding at year end. However, it did have

TWENTY-FOURTH JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE**Jefferson Parish, Louisiana****Management's Discussion and Analysis****As of and for the Year Ended June 30, 2012**

long-term liabilities totaling \$78,403, all of which were accrued annual and sick leave outstanding at year end.

ECONOMIC FACTORS AND THE JUNE 30, 2013 FISCAL YEAR-END BUDGET

The district public defender's office considered the following factors and indicators when setting up its June 30, 2013, fiscal year-end budget: (1) court cost revenues are anticipated to come in about the same as for the prior year; (2) appropriation monies received from the Louisiana Public Defender Board is expected to come in lower than that for the June 30, 2012, fiscal year-end; (3) all other revenues are not expected to change appreciably; (4) total expenditures are expected to be relatively the same year over year; (5) expenditures are budgeted to exceed revenues by approximately \$460,000 during the fiscal year, resulting in a Projected Total Net Asset balance of \$300,000 at June 30, 2013. The district public defender's office expects to meet its fiscal needs for the fiscal year-to-end on June 30, 2013.

Note: If significant additional revenue/cash funding is not received before May, 2013, then the public defender's office will need to implement significant cost cutting measures, which will be necessary to keep from depleting its entire available cash fund balance during the fiscal year-to-end on June 30, 2014.

CONTACTING THE PUBLIC DEFENDER OFFICE

This financial report is designed to provide the citizens, taxpayers, investors and creditors with a general overview of the public defender's office's finances, and to show accountability for the money it receives. If you have any questions about this report or need additional financial information, please contact Mr. Richard M. Thompson, District Public Defender, 848 2nd Street, 3rd Floor, Gretna, LA 70053, or by telephone at 504-364-2824.

BASIC FINANCIAL STATEMENTS
(GOVERNMENT-WIDE FINANCIAL STATEMENTS)

TWENTY-FOURTH JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE

Jefferson Parish, Louisiana

Statement of Net Assets

June 30, 2012

ASSETS

Current Assets:

Cash (Note B) \$861,419

Other receivables drug court diversion 25,000

Total Current Assets 886,419

Noncurrent Assets:

Capital assets (net of depreciation) (Note C) 21,844

Total Noncurrent Assets 21,844

TOTAL ASSETS **908,263**

LIABILITIES

Current Liabilities:

Payroll deductions 14,255

Deferred revenue received - drug court diversion 25,000

Total Current Liabilities 39,255

Noncurrent Liabilities:

Accrued annual & sick leave payable (Note A.7 & F) 78,403

Total Noncurrent Liabilities 78,403

TOTAL LIABILITIES **117,658**

NET ASSETS

Invested in capital assets, net of related debt 21,844

Unrestricted 768,761

TOTAL NET ASSETS **\$790,605**

The accompanying notes are an integral part of this statement.

TWENTY-FOURTH JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana
Statement of Activities
For the Year Ended June 30, 2012

EXPENSES**Governmental Activities:**

Attorneys' fees	\$2,779,110
Salaries and related benefits	247,311
Other professional services	225,298
Operating services	173,277
Capital outlay	1,263
Depreciation	<u>15,616</u>

Total Expenses **3,441,875**

GENERAL REVENUES

Court costs	2,002,135
Intergovernmental revenue:	
Louisiana Public Defender Board	636,866
Bail bond forfeitures and license fees	280,692
Criminal justice bond fee	25,337
Application fees	38,897
Drug court diversion program	26,042
Interest earnings	<u>634</u>

Total General Revenues **3,010,603**

Change in Net Assets (431,272)

Net Assets at June 30, 2011 **1,221,877**

Net Assets at June 30, 2012 **\$790,605**

The accompanying notes are an integral part of this statement.

BASIC FINANCIAL STATEMENTS
(FUND FINANCIAL STATEMENTS)

TWENTY-FOURTH JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana
Balance Sheet
General Fund - Governmental Fund
June 30, 2012

ASSETS**Current Assets:**

Cash	\$861,419
Other receivables - drug court diversion	<u>25,000</u>

TOTAL ASSETS	<u>\$886,419</u>
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LIABILITIES AND FUND BALANCE**Current Liabilities:**

Payroll deductions	\$14,255
Deferred revenue received - drug court diversion	<u>25,000</u>

Total Liabilities	<u>39,255</u>
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Fund balance:

Nonspendable	-
Restricted	-
Committed	-
Assigned	-
Unassigned	<u>847,164</u>

Total Fund Balance	<u>847,164</u>
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TOTAL LIABILITIES AND FUND BALANCE	<u>\$886,419</u>
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The accompanying notes are an integral part of this statement.

TWENTY-FOURTH JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana
Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Assets
June 30, 2012

Total Fund Balance - Governmental Fund	\$847,164
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Amounts reported for governmental activities in the
Statement of Net Assets are different because:

Capital assets (\$21,844) and accrued annual and
sick leave (\$78,403) are used in governmental activities
and are not current financial resources, therefore, they are
not reported in the Governmental Funds Balance Sheet.

This is the net difference between these two amounts.	<u>(56,559)</u>
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Total Net Assets of Governmental Activities	<u>\$790,605</u>
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The accompanying notes are an integral part of this statement.

TWENTY-FOURTH JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana
Statement of Revenues, Expenditures and Changes in Fund Balances
General Fund - Governmental Fund
For the Year Ended June 30, 2012

REVENUES

Court costs	\$2,002,135
Intergovernmental revenue:	
Louisiana Public Defender Board	636,866
Bail bond forfeitures and license fees	280,692
Criminal justice bond fee	25,337
Application fees	38,897
Drug court diversion program	26,042
Interest earnings	<u>634</u>
 Total Revenues	 <u>3,010,603</u>

EXPENDITURES

Attorneys' fees	2,779,110
Salaries and related benefits	244,271
Other professional services	225,298
Operating services	173,277
Capital outlay	<u>1,263</u>
 Total Expenditures	 <u>3,423,219</u>

Net Change in Fund Balance	(412,616)
Fund Balance at June 30, 2011	<u>1,259,780</u>
Fund Balance at June 30, 2012	<u>\$847,164</u>

The accompanying notes are an integral part of this statement.

TWENTY-FOURTH JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE

Jefferson Parish, Louisiana

**Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balance to the Statement of Activities
For the Year Ended June 30, 2012**

Net Change in Fund Balance - Governmental Funds	\$(412,616)
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Amounts reported for governmental activities
in the Statement of Activities are different because:

Governmental funds report capital asset additions as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense; in addition, the change in accrued annual and sick leave for the period is also a component in the difference between the change in net assets and the change in fund balance.

(18,656)

Change in Net Assets of Governmental Activities	<u>\$(431,272)</u>
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The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

TWENTY-FOURTH JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE

Jefferson Parish, Louisiana
Notes to the Financial Statements
June 30, 2012

INTRODUCTION

On August 15, 2007, Act 307 of the 2007 Louisiana Legislative Session transferred all of the same duties, functions and powers of state Indigent Defender Boards to separate and individual District Public Defenders and their offices. District public defenders will continue to provide counsel to represent indigents in criminal cases at the district court level. The judicial district encompasses Jefferson Parish, Louisiana.

For the Twenty-Fourth judicial district, revenues received for the public defender office's operations are provided primarily from court costs on fines imposed by the various courts within the district. The public defender offices, that have a need for funding, also receive monies from a grant-in-aid program intended to supplement financial assistance in felony cases.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**1. Basis of Presentation**

The accompanying basic financial statements of the Twenty-Fourth Judicial District Public Defender Office have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The Twenty-Fourth Judicial District Public Defender Office has adopted the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. In this regard, the public defender's office will be treated as a governmental-type activity for financial reporting purposes in this audit. The minimum requirements for the public defender's office established by GASB Statement No. 34 are divided into the following sections: (a) Management's Discussion and Analysis, (b) Basic Financial Statements, and (c) Required Supplementary Information (other than MD&A).

The accompanying financial statements of the Twenty-Fourth Judicial District Public Defender Office present information only as to the transactions of the programs of the

TWENTY-FOURTH JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana
Notes to the Financial Statements
June 30, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

public defender's office as authorized by Louisiana statutes and administrative regulations. Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting. Therefore, court costs, intergovernmental revenue received from the state's Louisiana Public Defender Board, bail bond forfeitures and licenses fees, application fees, interest earnings, and other revenues of the public defender's office are recognized in the accounting period in which they are earned and become measurable.

Expense Recognition

Expenses are also recognized on the full accrual basis of accounting. Therefore, attorneys' fees, salaries, professional services, operating services and other expenses are recognized in the period incurred, if measurable.

2. Reporting Entity

For financial reporting purposes, in conformance with GASB Codification Section 2100, the district public defender office is a part of the district court system of the State of Louisiana. However, the state statutes that create the public defender office also give each district public defender control over all of their operations. This includes the hiring and retention of employees, authority over budgeting, responsibility for funding deficits and operating deficiencies, and fiscal management for controlling the collection and disbursement of funds. Therefore, the public defender's office reports as an independent reporting entity and the financial statements include only the transactions of the Twenty-Fourth Judicial District Public Defender Office. Furthermore, the Jefferson Parish Council does not include the Public Defender Office as a component unit in its comprehensive annual financial report.

3. Fund Accounting

The district public defender uses a fund (General Fund) to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal

TWENTY-FOURTH JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE

Jefferson Parish, Louisiana
Notes to the Financial Statements
June 30, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

The district public defender's General Fund is classified as a governmental fund. Governmental funds account for general activities, including the collection and disbursement of specific or legally restricted monies and the acquisition of capital assets. The General Fund, as provided by Louisiana Revised Statute 47:1906, is the only fund of the district public defender and accounts for the operation of the office. General operating expenditures are paid from this fund.

4. **Budgets**

The original budget for the year ended June 30, 2012, was proposed, advertised in the official journal of the parish, and made available for public inspection at the Gretna office of the district public defender's office on May 30, 2011. The budget was prepared on the accrual basis of accounting, and after a public hearing was adopted on June 13, 2011.

Formal budget integration within the accounting records is employed as a management control device during the year. Budgeted amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. All appropriations contained in the budget lapse at year end.

5. **Cash**

Cash includes amounts in an interest bearing demand deposit account. Under state law, funds may be deposited into demand deposit accounts, interest bearing demand deposit accounts, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

6. **Capital Assets**

Capital assets are recorded at either historical cost or estimated historical cost and are depreciated over their estimated useful lives (excluding salvage value). Any donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service

TWENTY-FOURTH JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana
Notes to the Financial Statements
June 30, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

demands. Straight-line depreciation is used based on the following estimated useful lives: 5 years on office furniture, equipment and computers; 10 years on telephone system. Capital assets are reported net of their accumulated depreciation on the Statement of Net Assets in the financial statements section of this audit report.

7. Compensated Absences (Vacation and Sick Leave)

Full-time employees of the district public defender's office earn and accumulate vacation and sick leave at various rates, depending on their length of service. All full-time employees may carry a maximum of 90 days of unused vacation leave from one calendar year to another. Upon separation from employment, and provided that certain conditions have been met as set forth in the policy adopted by the district public defender's office, employees are paid for all unused vacation leave at the hourly rates in effect at the time of separation from employment for each applicable employee.

All full-time employees earn one-half day of sick leave each biweekly pay period worked. There is no limit on the amount of sick leave that may be accumulated and carried forward from one year to the next. Upon separation from employment, employees who were hired before April 26, 1986, receive compensation for one-half of all unused sick leave remaining at the time of separation. Employees hired on or after April 26, 1986, receive compensation for no more than 40 days (280 hours) of unused sick leave.

The liability that the district public defender's office has to its employees for accumulated vacation and sick leave is calculated by multiplying the applicable pay rate for each employee by the number of hours of leave time eligible for compensation at year-end. The cost of current leave privileges, computed in accordance with GASB Codification Section C60 is recognized as an expense in the current year.

8. Long-term Obligations

The only long-term obligations were for accrued annual and sick leave benefits for employees.

9. Encumbrances

Encumbrance accounting is not utilized by the district public defender's office due to the

TWENTY-FOURTH JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana
Notes to the Financial Statements
June 30, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

nature of operations and the ability of management to monitor budgeted expenditures on a timely basis.

10. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

11. Equity Classifications

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt: consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets: consists of net assets with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments, or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets: all other assets that do not meet the definition of "invested in capital assets, net of related debt" or "restricted net assets."

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as follows:

TWENTY-FOURTH JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana
Notes to the Financial Statements
June 30, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The public defender's office adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* for the year ended June 30, 2012. As such, fund balances of the governmental funds are classified as follows:

Nonspendable: These are amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted: These are amounts that can be spent for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed: These are amounts that can be used only for specific purposes determined by a formal action of the district public defender's office. The district public defender's office is the highest level of decision making authority for the district public defender's office. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the.

Assigned: These are amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Under its adopted policy, only the district public defender's office may assign amounts for specific purposes.

Unassigned: These are all other spendable amounts.

	<u>General Fund</u>
Nonspendable:	-
Restricted:	-
Committed:	-
Assigned:	-
Unassigned:	<u>\$847,164</u>
Total	<u>\$847,164</u>

TWENTY-FOURTH JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE

Jefferson Parish, Louisiana
Notes to the Financial Statements
June 30, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the district public defender's office considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the district public defender's office considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the district public defender's office has provided otherwise in his commitment or assignment actions.

NOTE B - CASH

At June 30, 2012, the carrying amounts (book balances) of cash of the district public defender's office is as follows:

Cash in an interest bearing checking account	<u>\$861,419</u>
Total	<u>\$861,419</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 2012, the office had \$987,989 in bank balances. These deposits were secured from risk by \$250,000 of federal deposit insurance and \$1,703,475 of pledged securities held by the custodial bank in the name of the fiscal agent bank.

Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the district

TWENTY-FOURTH JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana
Notes to the Financial Statements
June 30, 2012

NOTE B - CASH (CONTINUED)

public defender that the fiscal agent has failed to pay deposited funds upon demand.

NOTE C - CAPITAL ASSETS

The capital assets used in the governmental-type activities are included on the Statement of Net Assets of the district public defender's office and are capitalized at historical cost. Depreciation of all exhaustible capital assets used by the office is charged as an expense against operations. Accumulated depreciation is reported on the Statement of Net Assets. Depreciation expense for financial reporting purposes is computed using the straight-line method over the useful lives of the capital assets and is reported in the Statement of Activities.

A summary of changes in capital assets and accumulated depreciation during the fiscal year is listed as follows:

	<u>Balance</u> <u>6/30/11</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/12</u>
<u>Capital Assets</u>				
Office furniture and equipment	<u>\$99,028</u>	-	-	<u>\$99,028</u>
Total	<u>\$99,028</u>	-	-	<u>\$99,028</u>
<u>Less Accumulated Depreciation for -</u>				
Office furniture and equipment	<u>\$61,568</u>	<u>\$15,616</u>	-	<u>\$77,184</u>
Total	<u>\$61,568</u>	<u>\$15,616</u>	-	<u>\$77,184</u>

TWENTY-FOURTH JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE

Jefferson Parish, Louisiana
Notes to the Financial Statements
June 30, 2012

NOTE D - PENSION PLAN

All full-time employees of the public defender's office are members of the Parochial Employees Retirement System of Louisiana (System), a multiple-employer (cost-sharing), public employee retirement system. The plan is controlled and administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of credited service, or at any age with at least 30 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 per cent of the member's final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only, prior to January 1, 1980, the benefit is equal to one per cent of the final-average salary plus \$24 for each year of supplemental plan only service earned prior to January 1, 1980. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (504) 928-1361.

Funding Policy

Under Plan A, members of the System are required to contribute 9.50% of their annual covered salary and the office is required to make employer contributions at an actuarially determined rate. The employer contribution rate for the current calendar year was 15.75% of the annual covered payroll for employee participants. Contributions to the System also

TWENTY-FOURTH JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE

Jefferson Parish, Louisiana
Notes to the Financial Statements
June 30, 2012

NOTE D - PENSION PLAN (CONTINUED)

include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge Parishes. These tax dollars are divided between Plan A and B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the board are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

Employer contributions to the System under Plan A for the fiscal years ended June 30, 2012, 2011, and 2010 were \$29,079, \$29,079, and \$25,848, respectively. These amounts equaled the required contributions for each year.

NOTE E - LEASES

Operating leases are all leases that do not meet the criteria of capital leases.

Effective April 1, 2008, a new lease agreement for the same office space was entered into for a period of 5 years at a rental rate of \$3,750 per month. Lease payments under this lease will end on March 31, 2013.

The total minimum annual commitments under all non-cancelable operating leases are as follows:

<u>Year Ended</u>	<u>Amount</u>
June 30, 2013	<u>33,750</u>
Total	<u>\$33,750</u>

TWENTY-FOURTH JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE

Jefferson Parish, Louisiana
Notes to the Financial Statements
June 30, 2012

NOTE F - COMPENSATED ABSENCES AND LONGTERM OBLIGATIONS

At June 30, 2012, employees of the office had accumulated and vested vacation and sick leave benefits, which were computed in accordance with GASB Codification Section C60. This amount is recorded within the general long-term obligations account group and is summarized as follows:

Balance, June 30, 2011	\$75,364
Additions	23,073
Deletions	<u>(20,034)</u>
Balance, June 30, 2012	<u>\$78,403</u>

There were no other long-term obligations during the year.

NOTE G - LITIGATION AND CLAIMS

As of June 30, 2012, no liability is required to be accrued in the basic financial statements of the public defender's office under the provisions of GASB Codification Section C50.

NOTE H - OFFICE COSTS NOT INCLUDED IN THE FINANCIAL STATEMENTS

The accompanying financial statements do not include costs for office space and utilities for the office on the east bank of the Mississippi River in Jefferson Parish's First Parish Court, nor for the office on the west bank in the Parish's Juvenile Court.

TWENTY-FOURTH JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana
Notes to the Financial Statements
June 30, 2012

NOTE 1 - GOVERNMENTAL FUND REVENUES AND EXPENDITURES

For the year ended June 30, 2012, the major sources of governmental fund revenues and expenditures were as follows:

Revenues

State Government

Appropriations - general	-	
Appropriations - special	\$621,998	
Revenue sharing	-	
Grants	-	
On-behalf payments	-	
Other	-	
	<hr/>	
Total		\$621,998

Local Government

Appropriations - general	-	
Appropriations - special	-	
Grants	-	
Statutory fines, forfeitures, fees, court costs, and other	2,387,971	
Taxes - millages, sales, special, etc.	-	
Criminal court fund	-	
On-behalf payments	-	
Other	-	
	<hr/>	
Total		2,387,971

Federal Government

Grants - direct	-	
Grants - indirect (passed-through)	-	
	<hr/>	
Total		-

TWENTY-FOURTH JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE

Jefferson Parish, Louisiana

Notes to the Financial Statements

June 30, 2012

NOTE I - GOVERNMENTAL FUND REVENUES AND EXPENDITURES (CONTINUED)

Revenues (Continued):

Other Grants and Contributions

Nonprofit organizations

-

Private organizations

-

Corporate

-

Other

-

Total

-

Charges for Services

-

Investment earnings

\$ 634

Miscellaneous

-

Total Revenues

\$3,010,603

Expenditures

Personnel Services and Benefits

Salaries

\$207,113

On-behalf payments - salaries

-

Retirement contributions

29,072

On-behalf payments - retirement

-

Insurance

5,665

On-behalf payments - insurance

-

Payroll taxes

1,343

Other

1,079

Total

244,272

TWENTY-FOURTH JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana
Notes to the Financial Statements
June 30, 2012

NOTE 1 - GOVERNMENTAL FUND REVENUES AND EXPENDITURES (CONTINUED)

Expenditures (Continued):

Professional Development

Dues, licenses and registrations	\$13,710
Travel	4,109
Other	<u>196</u>

Total		\$18,015
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Operating Costs

Library and research	22,371
Contract services - attorneys/legal	2,779,110
Contract services - other	225,298
Lease - office	47,100
Lease - autos and other	6,454
Travel - transportation	-
Travel - other	-
Insurance	35,885
Supplies	11,605
Repairs and maintenance	10,646
Utilities and telephone	18,093
Other	<u>3,108</u>

Total		3,159,670
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Debt Service

-

Capital Outlay

1,263

Total Expenditures		<u>\$3,423,220</u>
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REQUIRED SUPPLEMENTARY INFORMATION (RSI)

TWENTY-FOURTH JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE

Jefferson Parish, Louisiana

Combined Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (GAAP Basis) and Actual

General Fund

For the Year Ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Using Final</u> <u>Budget</u> <u>Positive</u> <u>(Negative)</u>
REVENUES				
Court costs	\$2,116,000	\$2,116,000	\$2,002,135	\$(113,865)
Intergovernmental Revenue:				
Louisiana Public Defender Board	619,930	619,930	636,866	16,936
Bail bond forfeiture & license fees	218,000	218,000	280,692	62,692
Criminal justice bond fee	30,000	30,000	25,337	(4,663)
Application fees	50,000	50,000	38,897	(11,103)
Drug court diversion	25,000	25,000	26,042	1,042
Interest earnings	<u>2,425</u>	<u>2,425</u>	<u>634</u>	<u>(1,791)</u>
Total Revenues	<u>3,061,355</u>	<u>3,061,355</u>	<u>3,010,603</u>	<u>(50,752)</u>
 EXPENDITURES				
Attorneys' fees	2,771,340	2,771,340	2,779,110	(7,770)
Salaries and related benefits	238,181	238,181	244,271	(6,090)
Other professional services	275,000	275,000	225,298	49,702
Operating services	174,130	174,130	173,277	853
Capital outlay	<u>18,500</u>	<u>18,500</u>	<u>1,263</u>	<u>17,237</u>
Total Expenditures	<u>3,477,151</u>	<u>3,477,151</u>	<u>3,423,219</u>	<u>53,932</u>
 Excess (Deficiency) of Revenues Over Expenditures	 (415,796)	 (415,796)	 (412,616)	 3,180
 Fund Balance at June 30, 2011	 <u>1,219,849</u>	 <u>1,219,849</u>	 <u>1,259,780</u>	 <u>39,931</u>
 Fund Balance at June 30, 2012	 <u>\$804,053</u>	 <u>\$804,053</u>	 <u>\$847,164</u>	 <u>\$43,111</u>

The accompanying notes are an integral part of this statement.

SUPPLEMENTARY INFORMATION SCHEDULE

TWENTY-FOURTH JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana
Supplementary Information Schedule
Summary Schedule of Prior Audit Findings and
Corrective Action Plan for Current Year Audit Findings
For the Year Ended June 30, 2012

I have audited the accompanying basic financial statements of the Twenty-Fourth Judicial District Public Defender Office as of and for the year ended June 30, 2012, and have issued my report thereon dated October 18, 2012. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. My audit of the financial statements as of June 30, 2012, resulted in an unqualified opinion.

Section I - Summary of Auditor's Report and Findings

There were no material weaknesses in internal control and no other deficiencies which required disclosure in this audit report.

There were no instances of noncompliance that were required to be reported in this audit report.

There were no findings required to be reported and no management letter was issued for the current audit period.

The Twenty-Fourth Judicial District Public Defender Office did not receive any federal funds during the year ended June 30, 2012.

Contact Person:
Mr. Richard M. Thompson
District Public Defender
848 2nd Street, 3rd Floor
Gretna, LA 70053
504-364-2824

OTHER REQUIRED REPORT

KEITH J. ROVIRA
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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

**Twenty-Fourth Judicial District Public Defender Office
Jefferson Parish, Louisiana**

I have audited the financial statements of the Twenty-Fourth Judicial District Public Defender Office, as of and for the year ended June 30, 2012, which collectively comprise the Twenty-Fourth Judicial District Public Defender Office's basic financial statements and have issued my report thereon dated October 18, 2012. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Twenty-Fourth Judicial District Public Defender Office's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Twenty-Fourth Judicial District Public Defender Office's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Twenty-Fourth Judicial District Public Defender Office's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As a part of obtaining reasonable assurance about whether the Twenty-Fourth Judicial District Public Defender Office's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations and contracts, noncompliance with which could have a direct and material effect on the determination of the financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of management, and the State of Louisiana Legislative Auditor, and should not be used by anyone other than these specified parties. This restriction is not intended to limit the distribution of this report which, upon acceptance by the State of Louisiana Legislative Auditor, is a matter of public record.



Keith J. Rovira
Certified Public Accountant

October 18, 2012